

Economic Development Appropriations Bill Senate File 562

Last Action:
**Senate Appropriations
Committee**
March 20, 2007

An Act relating to and making appropriations to the Department of Cultural Affairs, Department of Economic Development, certain Board of Regents' institutions, the Department of Workforce Development, and the Public Employment Relations Board and related matters.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available on line at <http://www3.legis.state.ia.us/noba/index.jsp>

LSA Contact: Ron Robinson (16256)

**EXECUTIVE SUMMARY
NOTES ON BILLS AND AMENDMENTS**

**SENATE FILE 562
ECONOMIC DEVELOPMENT APPROPRIATIONS BILL**

FUNDING SUMMARY

**DEPARTMENT OF CULTURAL
AFFAIRS**

**DEPARTMENT OF ECONOMIC
DEVELOPMENT**

IOWA FINANCE AUTHORITY

**REGENTS INSTITUTIONS
ECONOMIC DEVELOPMENT
PROGRAMS**

- Appropriates a total of \$40.1 million from the General Fund and 499.9 FTE positions to the Department of Cultural Affairs, Department of Economic Development, Iowa Finance Authority, Regent of Regents economic development programs, Iowa Workforce Development, and the Public Employment Relations Board (PERB). This is an increase of \$3.2 million in General Fund support and an increase of 15.2 FTE positions compared to the estimated FY 2007 appropriations. The Bill also increases support from other funds by \$1.4 million to a total of \$10.4 million.
- Appropriates \$6.3 million and 83.8 FTE positions from the General Fund to the Department of Cultural Affairs. This is a decrease of \$104,000 and an increase of 1.6 FTE positions compared to the estimated FY 2007 appropriation. The changes include:
 - An increase of \$50,000 and 1.0 FTE position for administration of the Property Rehabilitation Tax Credit Act. (Page 1, Line 21)
 - An increase of 0.6 FTE position due to the anticipated increase in the naming of additional Great Places. (Page 2, Line 7)
 - A new appropriation of \$186,000 for rent of the new Records Center. (Page 2, Line 18)
 - A decrease of \$340,000 for one-time FY 2007 appropriations.
- Appropriates \$15.7 million and 153.3 FTE positions from the General Fund to the Department of Economic Development. This is an increase of \$1.1 million and 18.1 FTE positions compared to the estimated FY 2007 appropriation. The significant changes include:
 - An increase of 500,000 for support of the Main Street Program. (Page 1, Line 21)
 - An increase of \$250,000 for support of tourism operations. (Page 1, Line 21)
 - An increase of \$350,000 for support of the World Food Prize. (Page 1, Line 21)
- Appropriates \$200,000 from the General Fund to the Iowa Finance Authority (IFA). Maintains the current level of General Fund support. (Page 8, Line 3)
- Appropriates \$3.6 million and 69.4 FTE positions from the General Fund for economic development programs at Iowa State University (ISU), the University of Iowa (SUI), and the University of Northern Iowa (UNI). This is an increase of \$550,000 and 2.1 FTE position compared to the estimated FY 2007 appropriation. The changes include:
 - An increase of \$250,000 and 0.1 FTE position for Iowa State University to support the Small Business Development Centers. (Page 8, Line 11)
 - An increase of \$300,000 and 2.0 FTE positions for the University of Northern Iowa to support the myentrenet internet application. (Page 10, Line 14)

**EXECUTIVE SUMMARY
NOTES ON BILLS AND AMENDMENTS**

**SENATE FILE 562
ECONOMIC DEVELOPMENT APPROPRIATIONS BILL**

**DEPARTMENT OF WORKFORCE
DEVELOPMENT**

- Appropriates \$13.0 million and 182.5 FTE positions from the General Fund for the Department of Workforce Development. This is an increase of \$1.5 million of General Fund support and is a decrease of 7.6 FTE positions compared to the estimated FY 2007 appropriation. The significant changes include:
 - An increase of \$528,000 and 7.0 FTE positions for support of health and safety programs by adding additional Occupational Safety and Health Administration (OSHA) inspectors. (Page 11, Line 2)
 - An increase of \$1.0 million to provide additional support for Field Office operations. (Page 11, Line 32)

**PUBLIC EMPLOYMENT RELATIONS
BOARD (PERB)**

- Appropriates \$5.7 million from the Unemployment Compensation Reserve Fund interest to the Department for deposit in the Field Office Operating Fund for operation of the Field Offices. This is an increase of \$1.7 million compared to estimated FY 2007. (Page 14, Line 2)
- Appropriates \$1.2 million and 11.0 FTE positions from the General Fund. This is an increase of \$97,000 and 1.0 FTE position compared to the estimated FY 2007 appropriation for the addition of an administrative law judge. (Page 14, Line 10)

REQUIRED REPORTS

- Requires the World Food Prize organization to report to the Chairpersons and Ranking Members of the Economic Development Appropriations Joint Subcommittee, by January 1, 2008, on the expenditure of the FY 2008 appropriation and projected expenditures for FY 2009. (Page 6, Line 8)
- Requires that ISU annually report the total amount of private contributions, the proportion from small businesses and other businesses, and the proportion for directed and non-directed research. (Page 9, Line 13)
- Requires the Board of Regents to submit a report on the progress of the Regents institutions in meeting the goals, objectives, and strategies of the Strategic Plan for Technology Transfer and Economic Development. (Page 11, Line 5)
- Requires the Department of Workforce Development to develop accountability measures for subcontractors and report the subcontractor names and accountability measures to the Chairpersons and Ranking Members of the Economic Development Appropriations Subcommittee by January 15, 2008. (Page 13, Line 4)
- Requires the Legislative Services Agency (LSA) to conduct an annual review of the salaries paid to employees entities organized under Chapter 28E, Code of Iowa, and salaries paid under contracts with the IWD. The LSA is required to report findings to the Economic Development Appropriations Joint Subcommittee. (Page 13, Line 18)
- Requires feasibility assessments and reports regarding telecommuting. (Page 15, Line 20)

STUDIES AND INTENT LANGUAGE

- Requires a business creating jobs with economic development assistance from the Business Development appropriation to the Department of Economic Development to be subject to contract provisions stating that new and retained jobs must be filled by individuals that are citizens of the United States, reside in the United States, or are authorized to work in the United States pursuant to federal law, including legal resident aliens in the United States. Requires any vendor that receives public moneys from the Department through the Business Development appropriation to adhere to these contract provisions and provide periodic assurances of compliance. (Page 4, Line 4)
- Permits the Department of Economic Development to provide grants to community economic development entities for local workforce recruitment efforts designed to recruit former citizens of the State and former students at State colleges and universities to meet the needs of local employers. (Page 4, line 18)
- Permits the Department of Economic Development to provide financial assistance to early-stage industry companies being established by women entrepreneurs. (Page 4, Line 25)
- Permits the Department of Economic Development to provide financial assistance for advanced research and commercialization projects involving value-added agriculture, advanced technology, or biotechnology. (Page 4, Line 28)
- Requires the DED to commission a study of tax structures and economic development incentives in Iowa and surrounding states. (Page 4, Line 33)
- Requires the Auditor of State to conduct, and the Department of Workforce Development to pay for, an audit to ensure appropriate salary levels for subcontractors and field office employees. (Page 13, Line 11)
- Requests the Auditor of State to review the Iowa Finance Authority's annual audit and conduct a performance audit of the Authority's operations. (Page 14, Line 27)

Senate File 562

Senate File 562 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
5	2	3.2(h)	Nwthstnd	Sec. 8.33	Business Development Division Nonreversion
6	1	3.3(f)	Nwthstnd	Sec. 8.33	Community Development Division Nonreversion
7	8	7	Nwthstnd	Sec. 15E.120(5)	Community Development Loan Fund
7	32	10	Nwthstnd	Sec. 15.251	Job Training Fund
9	20	12.4	Nwthstnd	Sec. 8.33	Iowa State University Nonreversion
10	8	13.3	Nwthstnd	Sec. 8.33	University of Iowa Nonreversion
10	35	14.4	Nwthstnd	Sec. 8.33	University of Northern Iowa Nonreversion
12	33	16.6	Nwthstnd	Sec. 8.33	Iowa Workforce Development Nonreversion
14	2	19	Nwthstnd	Sec. 96.9(8)(e)	Appropriation of Unemployment Compensation Reserve Fund Interest
15	11	25	Nwthstnd	Sec. 96.9(4)(a)	Compliance with Social Security Act

1 1 Section 1. DEPARTMENT OF CULTURAL AFFAIRS. There is
 1 2 appropriated from the general fund of the state to the
 1 3 department of cultural affairs for the fiscal year beginning
 1 4 July 1, 2007, and ending June 30, 2008, the following amounts,
 1 5 or so much thereof as is necessary, to be used for the
 1 6 purposes designated:

1 7 1. ADMINISTRATION
 1 8 For salaries, support, maintenance, miscellaneous purposes,
 1 9 and for not more than the following full-time equivalent
 1 10 positions:
 1 11 \$ 245,101
 1 12 FTEs 2.35

General Fund appropriation to the Department of Cultural Affairs Administration Division.

DETAIL: Maintains current level of General Fund support and FTE positions.

1 13 The department of cultural affairs shall coordinate
 1 14 activities with the tourism office of the department of
 1 15 economic development to promote attendance at the state
 1 16 historical building and at this state's historic sites.

Requires the Department of Cultural Affairs to coordinate with the Department of Economic Development to promote attendance at the State Historical Building and State Historic Sites.

1 17 2. COMMUNITY CULTURAL GRANTS
 1 18 For planning and programming for the community cultural
 1 19 grants program established under section 303.3:
 1 20 \$ 299,240

General Fund appropriation to the Department of Cultural Affairs for the Community Cultural Grants Program.

DETAIL: Maintains current level of General Fund support.

1 21 3. HISTORICAL DIVISION
 1 22 For salaries, support, maintenance, miscellaneous purposes,
 1 23 and for not more than the following full-time equivalent
 1 24 positions:
 1 25 \$ 3,442,865
 1 26 FTEs 58.08

General Fund appropriation to the Department of Cultural Affairs for the Historical Division.

DETAIL: This is an increase of \$50,000 and 1.00 FTE position, compared to the estimated FY 2007 appropriation, for the administration of Chapter 404A, Code of Iowa, Property Rehabilitation Tax Credit Act.

1 27 From the moneys appropriated under this subsection, the

Requires the Department to use \$50,000 of the appropriation for

1 28	department shall use \$50,000 for purposes of administering	administering Chapter 404A, <u>Code of Iowa</u> .
1 29	chapter 404A.	
1 30	4. HISTORIC SITES	General Fund appropriation to the Department of Cultural Affairs for
1 31	For salaries, support, maintenance, miscellaneous purposes,	Historic Sites.
1 32	and for not more than the following full-time equivalent	
1 33	positions:	DETAIL: Maintains current level of General Fund support and FTE
1 34	..... \$ 554,166	positions
1 35	..... FTEs 8.25	.
2 1	5. ARTS DIVISION	General Fund appropriation to the Department of Cultural Affairs for
2 2	For salaries, support, maintenance, miscellaneous purposes,	the Arts Division.
2 3	including funds to match federal grants and for not more than	
2 4	the following full-time equivalent positions:	DETAIL: Maintains current level of General Fund support and FTE
2 5	..... \$ 1,207,611	positions.
2 6	..... FTEs 11.12	
2 7	6. GREAT PLACES	General Fund appropriation to the Great Places initiative of the
2 8	For salaries, support, maintenance, miscellaneous purposes,	Department of Cultural Affairs.
2 9	and for not more than the following full-time equivalent	
2 10	positions:	DETAIL: This is an increase of 0.58 FTE position, compared to the
2 11	..... \$ 305,794	estimated FY 2007 appropriation, due to the anticipated increase in
2 12	..... FTEs 3.00	the naming of additional Great Places.
2 13	7. ARCHIVE IOWA GOVERNORS' RECORDS	General Fund appropriation to the Department of Cultural Affairs for
2 14	For archiving the records of Iowa governors and for not	archiving papers of former governors.
2 15	more than the following full-time equivalent position:	
2 16	..... \$ 77,348	DETAIL: Maintains current level of General Fund support and FTE
2 17	..... FTEs 0.97	positions.
2 18	8. RECORDS CENTER RENT	General Fund appropriation to the Department of Cultural Affairs for
2 19	For payment of rent for the state records center:	rent of the Records Center.
2 20	..... \$ 185,768	

DETAIL: This is a new appropriation for the rental cost of the new Records Center.

2 21 Sec. 2. GOALS AND ACCOUNTABILITY -- ECONOMIC DEVELOPMENT.
 2 22 1. The goals for the department of economic development
 2 23 shall be to expand and stimulate the state economy, increase
 2 24 the wealth of lowans, and increase the population of the
 2 25 state.
 2 26 2. To achieve the goals in subsection 1, the department of
 2 27 economic development shall do all of the following:
 2 28 a. Concentrate its efforts on programs and activities that
 2 29 result in commercially viable products and services.
 2 30 b. Adopt practices and services consistent with free
 2 31 market, private sector philosophies.
 2 32 c. Ensure economic growth and development throughout the
 2 33 state.

Specifies that the goals for the Department of Economic Development shall be to:

- Expand and stimulate the State economy.
- Increase the wealth of lowans.
- Increase the population of Iowa.

To achieve the goals, the Department is to:

- Concentrate efforts on programs and activities that result in commercially-viable products and services.
- Adopt practices consistent with free-market, private-sector philosophies.
- Ensure Statewide economic growth and development.

2 34 Sec. 3. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is
 2 35 appropriated from the general fund of the state to the
 3 1 department of economic development for the fiscal year
 3 2 beginning July 1, 2007, and ending June 30, 2008, the
 3 3 following amounts, or so much thereof as is necessary, to be
 3 4 used for the purposes designated:

3 5 1. ADMINISTRATION DIVISION

3 6 a. General administration
 3 7 For salaries, support, maintenance, miscellaneous purposes,
 3 8 programs, for transfer to the Iowa state commission grant
 3 9 program, and for not more than the following full-time
 3 10 equivalent positions:
 3 11 \$ 2,044,529

General Fund appropriation for the Administration Division of the Department of Economic Development (DED).

DETAIL: This is a general decrease of \$1.00 and an increase of 4.00 FTE positions compared to the estimated FY 2007 appropriation. The changes in FTE positions are for the following:

3 12 FTEs 27.75

- An increase of 5.00 FTE positions to restore the authorized FTE positions to the current year authorized amount.
- A decrease of 1.00 FTE position that is being transferred to the Business Development Division to match anticipated usage.

3 13 b. The department shall work with businesses and
 3 14 communities to continually improve the economic development
 3 15 climate along with the economic well-being and quality of life
 3 16 for lowans. The administration division shall coordinate with
 3 17 other state agencies ensuring that all state departments are
 3 18 attentive to the needs of an entrepreneurial culture.

Requires the Administration Division to work with businesses and communities to improve the economic development climate, the economic well-being, and the quality of life for lowans. The Division is to coordinate with other State agencies to ensure State departments are attentive to the needs of an entrepreneurial culture.

3 19 2. BUSINESS DEVELOPMENT DIVISION

3 20 a. Business development operations
 3 21 For business development operations and programs, the film
 3 22 office, international trade, export assistance, workforce
 3 23 recruitment, the partner state program, for transfer to the
 3 24 strategic investment fund, for transfer to the value-added
 3 25 agricultural products and processes financial assistance fund,
 3 26 salaries, support, maintenance, miscellaneous purposes, and
 3 27 for not more than the following full-time equivalent
 3 28 positions:

General Fund appropriation for the Business Development Division of the DED.

DETAIL: This is an increase of \$125,986 and 17.05 FTE positions compared to the estimated FY 2007 appropriation for the following:

3 29 \$ 6,426,146
 3 30 FTEs 61.00

- An increase of \$125,986 and 1.00 FTE position for the transfer of the Film Operations from the Community Development Division.
- An increase of 3.00 FTE positions that are transferred from other divisions to match anticipated usage.
- An increase of 13.05 FTE positions to restore the authorized FTE positions to the current year authorized amount.

3 31 b. The department shall establish a strong and aggressive
 3 32 marketing image to showcase Iowa's workforce, existing
 3 33 industry, and potential. A priority shall be placed on
 3 34 recruiting new businesses, business expansion, and retaining
 3 35 existing Iowa businesses. Emphasis shall also be placed on
 4 1 entrepreneurial development through helping to secure capital
 4 2 for entrepreneurs, and developing networks and a business

Requires the Business Development Division, through aggressive marketing, to showcase Iowa's workforce, industry, and potential. Priority is to be given to recruiting new businesses, business expansion, and retaining existing Iowa businesses. Emphasis is to be placed on entrepreneurs, networking for entrepreneurs, and developing a business climate conducive to entrepreneurial and small business growth.

4 3 climate conducive to entrepreneurs and small business.

4 4 c. A business creating jobs with economic development
4 5 assistance through moneys appropriated in this subsection
4 6 shall be subject to contract provisions stating that new and
4 7 retained jobs shall be filled by individuals who are citizens
4 8 of the United States who reside within the United States, or
4 9 any person authorized to work in the United States pursuant to
4 10 federal law, including legal resident aliens in the United
4 11 States. Any vendor who receives such public moneys shall
4 12 adhere to such contract provisions and provide periodic
4 13 assurances as the state shall require, that the jobs are
4 14 filled solely by citizens of the United States who reside
4 15 within the United States, or any person authorized to work in
4 16 the United States pursuant to federal law, including legal
4 17 resident aliens in the United States.

Requires a business creating jobs with economic development assistance from the Business Development appropriation to the DED to be subject to contract provisions stating that new and retained jobs must be filled by individuals that are citizens of the United States, that reside in the United States, or any person authorized to work in the United States pursuant to federal law, including legal resident aliens in the United States. Requires any vendor that receives public moneys from the Department through the Business Development appropriation to adhere to these contract provisions and provide periodic assurances of compliance.

4 18 d. From the moneys appropriated in this subsection, the
4 19 department may provide financial assistance in the form of a
4 20 grant to a community economic development entity for
4 21 conducting a local workforce recruitment effort designed to
4 22 recruit former citizens of the state and former students at
4 23 colleges and universities in the state to meet the needs of
4 24 local employers.

Permits the DED to provide funding in the form of a grant to a community economic development entity for conducting a local workforce recruitment effort designed to recruit former citizens of the State and former students at State colleges and universities to meet the needs of local employers.

4 25 e. From the moneys appropriated under this subsection, the
4 26 department may provide financial assistance to early-stage
4 27 industry companies being established by women entrepreneurs.

Permits the DED to provide financial assistance to early-stage industry companies being established by women entrepreneurs.

4 28 f. From the moneys appropriated under this subsection, the
4 29 department may provide financial assistance in the form of
4 30 grants, loans, or forgivable loans for advanced research and
4 31 commercialization projects involving value-added agriculture,
4 32 advanced technology, or biotechnology.

Permits the DED to provide financial assistance for advanced research and commercialization projects involving value-added agriculture, advanced technology, or biotechnology.

4 33 g. The department shall commission a study to analyze the
 4 34 tax structures and economic development incentives and
 4 35 financing on a comparative basis between Iowa and states
 5 1 bordering Iowa.

Requires the DED to commission a study of the tax structures and economic development incentives in Iowa and surrounding states.

5 2 h. Notwithstanding section 8.33, moneys appropriated in
 5 3 this subsection that remain unencumbered or unobligated at the
 5 4 close of the fiscal year shall not revert but shall remain
 5 5 available for expenditure for the purposes designated until
 5 6 the close of the succeeding fiscal year.

CODE: Requires nonreversion of funds appropriated to the Business Development Division.

5 7 3. COMMUNITY DEVELOPMENT DIVISION

5 8 a. Community development programs
 5 9 For salaries, support, maintenance, miscellaneous purposes,
 5 10 community economic development programs, tourism operations,
 5 11 community assistance, the mainstreet and rural mainstreet
 5 12 programs, the school-to-career program, the community
 5 13 development block grant, and housing and shelter-related
 5 14 programs and for not more than the following full-time
 5 15 equivalent positions:
 5 16 \$ 6,422,654
 5 17 FTEs 58.26

General Fund appropriation for the Community and Rural Development Division of the DED.

DETAIL: This is an increase of \$624,014 and a decrease of 3.00 FTE positions compared to the estimated FY 2007 appropriation for the following:

- A decrease of \$125,986 and 1.00 FTE position for the transfer of the Film Operations to the Business Development Division.
- A decrease of 2.00 FTE positions that are transferred to the Business Development Division to match anticipated usage.
- An increase of \$500,000 and no change in FTE positions for support of the Main Street Program.
- An increase of \$250,000 for support of tourism operations.

5 18 b. The department shall encourage development of
 5 19 communities and quality of life to foster economic growth.
 5 20 The department shall prepare communities for future growth and
 5 21 development through development, expansion, and modernization
 5 22 of infrastructure.

Requires the Community Development Division to encourage development of communities, quality of life, and economic growth, and to prepare communities for future growth through development, expansion, and modernization of infrastructure.

5 23 c. The department shall develop public-private

Requires the Department to develop public-private partnerships with

<p>5 24 partnerships with Iowa businesses in the tourism industry, 5 25 Iowa tour groups, Iowa tourism organizations, and political 5 26 subdivisions in this state to assist in the development of 5 27 advertising efforts. The department shall, to the fullest 5 28 extent possible, develop cooperative efforts for advertising 5 29 with contributions from other sources.</p>	<p>Iowa tourism businesses, Iowa tour groups, Iowa tourism organizations, and political subdivisions to assist in developing advertising efforts. The Department is to maximize contributions from other sources for this purpose.</p>
<p>5 30 d. From the moneys appropriated in this subsection, the 5 31 department shall use at least \$1,046,000 for purposes of the 5 32 main street and rural main street programs.</p>	<p>Allocates a minimum of \$1,046,000 from the appropriation of \$6,422,654 for the Main Street Program.</p> <p>DETAIL: This is an increase of \$500,000 compared to the estimated FY 2007 allocation.</p>
<p>5 33 e. From the moneys appropriated in this subsection, the 5 34 department shall use at least \$3,794,443 for purposes of 5 35 tourism operations.</p>	<p>Allocates a minimum of \$3,794,443 from the appropriation of \$6,422,654 for tourism operations.</p> <p>DETAIL: This is an increase of \$250,000 compared to the estimated FY 2007 allocation.</p>
<p>6 1 f. Notwithstanding section 8.33, moneys appropriated in 6 2 this subsection that remain unencumbered or unobligated at the 6 3 close of the fiscal year shall not revert to any fund but 6 4 shall remain available for expenditure for the designated 6 5 purposes during the succeeding fiscal year.</p>	<p>CODE: Requires nonreversion of funds appropriated to the Community Development Division.</p>
<p>6 6 4. For allocating moneys for the world food prize: 6 7 \$ 750,000</p>	<p>General Fund appropriation for the World Food Prize.</p> <p>DETAIL: This is an increase of \$350,000 compared to the estimated FY 2007 appropriation to support the World Food Prize.</p> <p>NOTE: House File 2797 (FY 2007 Standing Appropriations Act) provided that it is the intent of the General Assembly to make appropriations from the General Fund for purposes of the World Food Prize for FY 2008 (\$750,000) and FY 2009 (\$1,000,000).</p>
<p>6 8 By January 1, 2008, the entity receiving moneys allocated</p>	<p>Requires a report to the Chairpersons and Ranking Members of the</p>

6 9 for the world food prize under this subsection shall submit a
6 10 written report to the chairpersons and ranking members of the
6 11 joint appropriations subcommittee on economic development
6 12 regarding the expenditure of moneys received from the state.
6 13 The report shall include an itemization of expenditures of
6 14 moneys received from the state during the fiscal year
6 15 beginning July 1, 2007, and ending June 30, 2008, and an
6 16 itemization of expenditures of moneys received from the state
6 17 during the fiscal year beginning July 1, 2008, and ending June
6 18 30, 2009, as well as all projected expenditures of such moneys
6 19 during the fiscal year beginning July 1, 2008, and ending June
6 20 30, 2009.

Economic Development Appropriations Subcommittee by January 1, 2008, on the expenditure of the FY 2008 appropriation and projected expenditures for FY 2009.

6 21 Sec. 4. VISION IOWA PROGRAM -- FTE AUTHORIZATION. For
6 22 purposes of administrative duties associated with the vision
6 23 Iowa program, the department of economic development is
6 24 authorized an additional 2.25 full-time equivalent positions
6 25 above those otherwise authorized in this Act.

Authorizes 2.25 FTE positions for the Vision Iowa Program.

DETAIL: Maintains current FTE level.

6 26 Sec. 5. RURAL COMMUNITY 2000 PROGRAM. There is
6 27 appropriated from loan repayments on loans made under the
6 28 former rural community 2000 program, sections 15.281 through
6 29 15.288, Code 2001, to the department of economic development
6 30 for the fiscal year beginning July 1, 2007, and ending June
6 31 30, 2008, any funds available in the rural community 2000
6 32 fund. Moneys appropriated under this section shall be used
6 33 for providing financial assistance to Iowa's councils of
6 34 governments that provide technical and planning assistance to
6 35 local governments.

Appropriates money from loan repayments received from the Rural Community 2000 Program to be distributed to Iowa's Councils of Governments to provide planning and technical assistance to local governments.

DETAIL: The appropriation to the Councils is estimated to be \$100,000 for FY 2008. This is a decrease of \$50,000 compared to the estimated FY 2007 appropriation from the Fund for this purpose. Repayment receipts to the Fund are estimated to be \$100,000 for FY 2008. This is a decrease of \$170,000 compared to the original estimate of \$270,000 for FY 2007 receipts. For FY 2007, two estimated appropriations were made from the Fund: \$150,000 for Iowa's Councils of Governments and \$120,000 the Rural Development Program. However, current estimated receipts to the Fund for FY 2007 and FY 2008 will not be sufficient to provide funding for the Rural Development Program for FY 2007 or FY 2008.

7 1 Sec. 6. INSURANCE ECONOMIC DEVELOPMENT. From the moneys

Insurance receipts appropriation to the DED for insurance economic

7 2 collected by the division of insurance in excess of the
 7 3 anticipated gross revenues under section 505.7, subsection 3,
 7 4 during the fiscal year beginning July 1, 2007, \$100,000 shall
 7 5 be transferred to the department of economic development for
 7 6 insurance economic development and international insurance
 7 7 economic development.

development.

DETAIL: Maintains current level of support. Funds collected by the Insurance Division of the Department of Commerce in excess of the anticipated gross revenues are allocated to the DED for insurance economic development purposes.

7 8 Sec. 7. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding
 7 9 section 15E.120, subsection 5, there is appropriated from the
 7 10 Iowa community development loan fund all the moneys available
 7 11 during the fiscal year beginning July 1, 2007, and ending June
 7 12 30, 2008, to the department of economic development for the
 7 13 community development program to be used by the department for
 7 14 the purposes of the program.

CODE: Appropriates all receipts from the Iowa Community Development Loan Fund to the Community Development Program.

DETAIL: The Fund will not have any receipts in FY 2008.

7 15 Sec. 8. WORKFORCE DEVELOPMENT FUND. There is appropriated
 7 16 from the workforce development fund account created in section
 7 17 15.342A, to the workforce development fund created in section
 7 18 15.343, for the fiscal year beginning July 1, 2007, and ending
 7 19 June 30, 2008, the following amount, for the purposes of the
 7 20 workforce development fund, and for not more than the
 7 21 following full-time equivalent positions:
 7 22 \$ 4,000,000

Workforce Development Fund Account appropriation to the DED's Workforce Development Fund Program.

DETAIL: Maintains current level of support and FTE positions.

7 23 FTEs 4.00

7 24 Sec. 9. WORKFORCE DEVELOPMENT ADMINISTRATION. From funds
 7 25 appropriated or transferred to or receipts credited to the
 7 26 workforce development fund created in section 15.343, up to
 7 27 \$400,000 for the fiscal year beginning July 1, 2007, and
 7 28 ending June 30, 2008, may be used for the administration of
 7 29 workforce development activities including salaries, support,
 7 30 maintenance, and miscellaneous purposes and for not more than
 7 31 4.00 full-time equivalent positions.

Permits the DED to use up to \$400,000 of the funds available in the Workforce Development Fund for administration and support of no more than 4.00 FTE positions.

DETAIL: This is no change in funding or FTE positions compared to the estimated FY 2007 authorization.

7 32 Sec. 10. JOB TRAINING FUND. Notwithstanding section
 7 33 15.251, all remaining moneys in the job training fund on July
 7 34 1, 2007, and any moneys appropriated or credited to the fund
 7 35 during the fiscal year beginning July 1, 2007, shall be
 8 1 transferred to the workforce development fund established
 8 2 pursuant to section 15.343.

CODE: Requires funds credited to the Job Training Fund in FY 2008 to be transferred to the Workforce Development Fund.

DETAIL: The transfer amount is estimated to be less than \$1,500 annually for FY 2007 and FY 2008.

8 3 Sec. 11. IOWA FINANCE AUTHORITY. There is appropriated
 8 4 from the general fund of the state to the Iowa finance
 8 5 authority for the fiscal year beginning July 1, 2007, and
 8 6 ending June 30, 2008, the following amount, or so much thereof
 8 7 as is necessary, to be used for the purpose designated:
 8 8 For the entrepreneurs with disabilities program:
 8 9 \$ 200,000

General Fund appropriation to the Iowa Finance Authority for Entrepreneurs with Disabilities Program.

DETAIL: Maintains current level of General Fund support.

8 10 Sec. 12. IOWA STATE UNIVERSITY.

8 11 1. There is appropriated from the general fund of the
 8 12 state to the Iowa state university of science and technology
 8 13 for the fiscal year beginning July 1, 2007, and ending June
 8 14 30, 2008, the following amount, or so much thereof as is
 8 15 necessary, to be used for small business development centers,
 8 16 the science and technology research park, the institute for
 8 17 physical research and technology, and for not more than the
 8 18 following full-time equivalent positions:
 8 19 \$ 2,713,557
 8 20 FTEs 56.63

General Fund appropriation to Iowa State University (ISU) for the Small Business Development Centers, Research Park, and the Institute for Physical Research and Technology.

DETAIL: This is an increase of \$250,000 and 0.10 FTE position compared to the estimated FY 2007 appropriation to support the Small Business Development Centers.

8 21 2. Of the moneys appropriated in subsection 1, Iowa state
 8 22 university shall allocate at least \$900,000 for purposes of
 8 23 funding small business development centers. Iowa state
 8 24 university may allocate moneys appropriated in subsection 1 to
 8 25 the various small business development centers in any manner
 8 26 necessary to achieve the purposes of this subsection.

Requires an allocation of \$900,000 for Small Business Development Centers and allows ISU to allocate the moneys to the Small Business Development Centers in any manner necessary to achieve this purpose. This is an increase of \$250,000 compared to estimated FY 2007 to support the Small Business Development Centers.

8 27 3. Iowa state university of science and technology shall
 8 28 do all of the following:
 8 29 a. Direct expenditures for research toward projects that
 8 30 will provide economic stimulus for Iowa.
 8 31 b. Provide emphasis to providing services to Iowa-based
 8 32 companies.

Requires the ISU economic development programs to direct resources and efforts to projects and activities that:

- Stimulate Iowa's economy.
- Emphasize Iowa-based companies.

8 33 4. It is the intent of the general assembly that the
 8 34 industrial incentive program focus on Iowa industrial sectors
 8 35 and seek contributions and in-kind donations from businesses,
 9 1 industrial foundations, and trade associations and that moneys
 9 2 for the institute for physical research and technology
 9 3 industrial incentive program shall only be allocated for
 9 4 projects which are matched by private sector moneys for
 9 5 directed contract research or for nondirected research. The
 9 6 match required of small businesses as defined in section
 9 7 15.102, subsection 4, for directed contract research or for
 9 8 nondirected research shall be \$1 for each \$3 of state funds.
 9 9 The match required for other businesses for directed contract
 9 10 research or for nondirected research shall be \$1 for each \$1
 9 11 of state funds. The match required of industrial foundations
 9 12 or trade associations shall be \$1 for each \$1 of state funds.

Specifies it is the intent of the General Assembly that the Industrial Incentive Program focus on Iowa industrial sectors and seek private sector donations. Requires matching funds for participation in the Institute for Physical Research and Technology Incentive Program. The match is \$1.00 for each \$3.00 of State funds for small businesses or \$1.00 for each \$1.00 of State funds for larger businesses, industrial foundations, or trade organizations.

9 13 Iowa state university of science and technology shall
 9 14 report annually to the joint appropriations subcommittee on
 9 15 economic development and the legislative services agency the
 9 16 total amount of private contributions, the proportion of
 9 17 contributions from small businesses and other businesses, and
 9 18 the proportion for directed contract research and nondirected
 9 19 research of benefit to Iowa businesses and industrial sectors.

Requires that ISU annually report to the Economic Development Appropriations Subcommittee and the Fiscal Services Division of the Legislative Services Agency the total amount of private contributions made to the Industrial Incentive Program, the proportion from small businesses and other businesses, and the proportion for directed and non-directed research.

9 20 Notwithstanding section 8.33, moneys appropriated in this
 9 21 section that remain unencumbered or unobligated at the close
 9 22 of the fiscal year shall not revert but shall remain available
 9 23 for expenditure for the purposes designated until the close of

CODE: Requires nonreversion of funds appropriated to ISU.

9 24 the succeeding fiscal year.

9 25 Sec. 13. UNIVERSITY OF IOWA.

9 26 1. There is appropriated from the general fund of the
 9 27 state to the state university of Iowa for the fiscal year
 9 28 beginning July 1, 2007, and ending June 30, 2008, the
 9 29 following amount, or so much thereof as is necessary, to be
 9 30 used for the state university of Iowa research park and for
 9 31 the advanced drug development program at the Oakdale research
 9 32 park, including salaries, support, maintenance, equipment,
 9 33 miscellaneous purposes, and for not more than the following
 9 34 full-time equivalent positions:
 9 35 \$ 247,005
 10 1 FTEs 6.00

General Fund appropriation to the University of Iowa (SUI) for the Research Park and for the Advanced Drug Development Program.

DETAIL: Maintains current level of General Fund support and FTE positions.

10 2 2. The state university of Iowa shall do all of the
 10 3 following:
 10 4 a. Direct expenditures for research toward projects that
 10 5 will provide economic stimulus for Iowa.
 10 6 b. Provide emphasis to providing services to Iowa-based
 10 7 companies.

Requires the SUI economic development programs to direct resources and efforts to projects and activities that:

- Stimulate Iowa's economy.
- Emphasize Iowa-based companies.

10 8 3. Notwithstanding section 8.33, moneys appropriated in
 10 9 this section that remain unencumbered or unobligated at the
 10 10 close of the fiscal year shall not revert but shall remain
 10 11 available for expenditure for the purposes designated until
 10 12 the close of the succeeding fiscal year.

CODE: Requires nonreversion of funds appropriated to SUI.

10 13 Sec. 14. UNIVERSITY OF NORTHERN IOWA.

10 14 1. There is appropriated from the general fund of the
 10 15 state to the university of northern Iowa for the fiscal year
 10 16 beginning July 1, 2007, and ending June 30, 2008, the

General Fund appropriation to University of Northern Iowa (UNI) for the Metal Casting Institute and the Institute for Decision Making.

10 17 following amount, or so much thereof as is necessary, to be
 10 18 used for the metal casting institute, for the myentrenet
 10 19 internet application, and for the institute of decision
 10 20 making, including salaries, support, maintenance,
 10 21 miscellaneous purposes, and for not more than the following
 10 22 full-time equivalent positions:
 10 23 \$ 661,291
 10 24 FTEs 6.75

DETAIL: This is an increase of \$300,000 and 2.00 FTE positions compared to the estimated FY 2007 appropriation for expanding service areas of the myentrenet internet application.

10 25 2. The university of northern iowa shall do all of the
 10 26 following:
 10 27 a. Direct expenditures for research toward projects that
 10 28 will provide economic stimulus for iowa.
 10 29 b. Provide emphasis to providing services to iowa-based
 10 30 companies.

Requires the UNI economic development programs to direct resources and efforts to projects and activities that:

- Stimulate iowa's economy.
- Emphasize iowa-based companies.

10 31 3. From the moneys appropriated in this section, the
 10 32 university of northern iowa shall use at least \$300,000 for
 10 33 purposes of expanding the service area of the myentrenet
 10 34 internet application.

Allocates \$300,000 for expanding service areas of the myentrenet internet application.

DETAIL: The UNI is also requesting an additional \$250,000 from the Transportation, Infrastructure, and Capitals Appropriations Subcommittee for infrastructure purposes.

10 35 4. Notwithstanding section 8.33, moneys appropriated in
 11 1 this section that remain unencumbered or unobligated at the
 11 2 close of the fiscal year shall not revert but shall remain
 11 3 available for expenditure for the purposes designated until
 11 4 the close of the succeeding fiscal year.

CODE: Requires nonreversion of funds appropriated to the UNI.

11 5 Sec. 15. BOARD OF REGENTS REPORT. The state board of
 11 6 regents shall submit a report on the progress of regents
 11 7 institutions in meeting the strategic plan for technology
 11 8 transfer and economic development to the secretary of the
 11 9 senate, the chief clerk of the house of representatives, and
 11 10 the legislative services agency by January 15, 2008.

Requires the Board of Regents to submit a report to the General Assembly and the Fiscal Services Division of the Legislative Services Agency by January 15, 2008, on the progress of the Regents institutions in meeting the goals, objectives, and strategies of the Strategic Plan for Technology Transfer and Economic Development.

11 11 Sec. 16. DEPARTMENT OF WORKFORCE DEVELOPMENT.

11 12 1. There is appropriated from the general fund of the
 11 13 state to the department of workforce development for the
 11 14 fiscal year beginning July 1, 2007, and ending June 30, 2008,
 11 15 the following amount, or so much thereof as is necessary, for
 11 16 the division of labor services, the division of workers'
 11 17 compensation, the workforce development state and regional
 11 18 boards, new lowans centers, salaries, support, maintenance,
 11 19 and miscellaneous purposes and for not more than the following
 11 20 full-time equivalent positions:
 11 21 \$ 6,096,762
 11 22 FTEs 96.45

General Fund appropriation to the Department of Workforce Development.

DETAIL: This is an increase of \$528,000 and 10.45 FTE positions compared to the estimated FY 2007 appropriation, due to the following:

- An increase of \$528,000 and 7.00 FTE positions to support the Health and Safety Programs.
- An increase of 3.45 FTE positions to restore the authorized FTE positions to the current year authorized amount.

11 23 Of the moneys appropriated in this subsection, the
 11 24 department shall allocate \$225,000 for purposes of reducing
 11 25 the backlog of cases before the commissioner of workers'
 11 26 compensation and for increasing support for the voluntary
 11 27 compliance program.

General Fund allocation to reduce the backlog of cases before the Workers' Compensation Commissioner and to increase support for the Health and Safety Programs.

DETAIL: Maintains current level of General Fund support.

11 28 Of the moneys appropriated in this subsection, the
 11 29 department shall allocate at least \$528,000 for purposes of
 11 30 increasing the number of occupational safety and health
 11 31 inspectors.

Allocation for additional Iowa OSHA inspectors.

DETAIL: An estimated seven additional inspectors will be added and trained with the funds.

11 32 2. There is appropriated from the general fund of the
 11 33 state to the department of workforce development for the
 11 34 fiscal year beginning July 1, 2007, and ending June 30, 2008,
 11 35 the following amount, or so much thereof as is necessary, to
 12 1 be used for the purpose designated:
 12 2 For the operation of field offices and for not more than
 12 3 the following full-time equivalent positions:
 12 4 \$ 6,951,014

General Fund appropriation to the Department of Workforce Development for deposit in the Field Office Operating Fund.

DETAIL: This is an increase of \$1,000,000 and a decrease of 18.03 FTE positions compared to the estimated FY 2007 appropriation. The changes include the following:

- An increase of \$1,000,000 to provide additional support for the Field Office operations.
- A decrease of 18.03 FTE positions to match the anticipated usage and the amount authorized for FY 2007.

12 5 FTEs 86.04

12 6 3. From the contractor registration fees, the division of
12 7 labor services shall reimburse the department of inspections
12 8 and appeals for all costs associated with hearings under
12 9 chapter 91C, relating to contractor registration.

Requires the Department of Workforce Development to reimburse the Employment Appeals Board within the Department of Inspections and Appeals for the costs associated with hearings related to contractor registration from contractor registration fees.

12 10 4. The division of workers' compensation shall continue
12 11 charging a \$65 filing fee for workers' compensation cases.
12 12 The filing fee shall be paid by the petitioner of a claim.
12 13 However, the fee can be taxed as a cost and paid by the losing
12 14 party, except in cases where it would impose an undue hardship
12 15 or be unjust under the circumstances. The moneys generated by
12 16 the filing fee allowed under this subsection are appropriated
12 17 to the department of workforce development to be used for
12 18 purposes of administering the division of workers'
12 19 compensation.

Requires that the Workers' Compensation Division continue to charge a \$65 filing fee for workers' compensation cases. Permits the losing party to be taxed for the fee, unless it would impose an undue hardship or be unjust. Appropriates the fees collected to Iowa Workforce Development.

DETAIL: It is estimated the Division will collect approximately \$190,000 in fees for FY 2008, which is the current estimated FY 2007 amount.

12 20 5. The department of workforce development shall maintain
12 21 new lowans centers that offer one-stop services to deal with
12 22 the multiple issues related to immigration and employment.
12 23 The centers shall be designed to support workers, businesses,
12 24 and communities with information, referrals, job placement
12 25 assistance, translation, language training, resettlement, as
12 26 well as technical and legal assistance on such issues as forms
12 27 and documentation. Through the coordination of local, state,
12 28 and federal service providers, and through the development of
12 29 partnerships with public, private, and nonprofit entities with
12 30 established records of international service, these centers
12 31 shall seek to provide a seamless service delivery system for
12 32 new lowans.

Requires that the Department maintain Immigration Service Centers. Requires that Immigration Service Centers offer one-stop services to workers, businesses, and communities. Requires seamless service delivery through government coordination and cooperation with public, private, and nonprofit entities.

12 33 6. Notwithstanding section 8.33, moneys appropriated in
12 34 this section that remain unencumbered or unobligated at the
12 35 close of the fiscal year shall not revert but shall remain

CODE: Permits nonreversion of funds appropriated to the Department of Workforce Development.

13 1 available for expenditure for the purposes designated until
13 2 the close of the succeeding fiscal year.

13 3 Sec. 17. ACCOUNTABILITY -- AUDIT.

13 4 1. The department of workforce development shall establish
13 5 accountability measures for all subcontractors. By January
13 6 15, 2008, the department shall submit a written report to the
13 7 chairpersons and ranking members of the joint appropriations
13 8 subcommittee on economic development which shall include a
13 9 list of contracts held by the department and accountability
13 10 measures in effect for each contract.

Requires the Department to develop accountability measures for subcontractors and report the subcontractor names and accountability measures to the Chairpersons and Ranking Members of the Economic Development Appropriations Subcommittee by January 15, 2008.

13 11 2. The auditor of state shall annually conduct an audit of
13 12 the department of workforce development and shall report the
13 13 findings of such annual audit, including the accountability of
13 14 programs of the department, to the chairpersons and ranking
13 15 members of the joint appropriations subcommittee on economic
13 16 development. The department shall pay for the costs
13 17 associated with the audit.

Requires the Auditor of State to conduct, and the Department to pay for, an audit to ensure appropriate salary levels for subcontractors and field office employees.

13 18 3. The legislative services agency shall conduct an annual
13 19 review of salaries paid to employees of entities organized
13 20 under chapter 28E and salaries paid under a contract with the
13 21 department of workforce development. The legislative services
13 22 agency shall report its findings to the chairpersons and
13 23 ranking members of the joint appropriations subcommittee on
13 24 economic development.

Requires the Legislative Services Agency (LSA) to conduct an annual review of the salaries paid to employees of entities organized under Chapter 28E, Code of Iowa, and salaries paid under contract with the IWD. The LSA is required to report findings to the Economic Development Appropriations Subcommittee.

13 25 Sec. 18. EMPLOYMENT SECURITY CONTINGENCY FUND. There is
13 26 appropriated from the special employment security contingency
13 27 fund to the department of workforce development for the fiscal
13 28 year beginning July 1, 2007, and ending June 30, 2008, the
13 29 following amounts, or so much thereof as is necessary, for the

13 30 purposes designated:

13 31 For the division of workers' compensation, salaries,
 13 32 support, maintenance, and miscellaneous purposes:
 13 33 \$ 471,000

Employment Security Contingency Fund appropriation to the
 Workers' Compensation Division.

DETAIL: Maintains current level of support.

13 34 Any remaining additional penalty and interest revenue may
 13 35 be allocated and used to accomplish the mission of the
 14 1 department.

Allows any remaining additional penalty and interest revenues to be
 used as needed by the Department of Workforce Development.

14 2 Sec. 19. UNEMPLOYMENT COMPENSATION RESERVE FUND.
 14 3 Notwithstanding section 96.9, subsection 8, paragraph "e",
 14 4 there is appropriated from interest earned on the unemployment
 14 5 compensation reserve fund to the department of workforce
 14 6 development for the fiscal year beginning July 1, 2007, and
 14 7 ending June 30, 2008, the following amount for the operation
 14 8 of field offices:
 14 9 \$ 5,700,000

Unemployment Compensation Reserve Fund interest appropriation to
 the Department of Workforce Development for deposit in the Field
 Office Operating Fund.

DETAIL: This is an increase of \$1,700,000 compared to the
 estimated FY 2007 appropriation for increased support of the Field
 Office operations. The General Fund appropriation to the Department
 for this same purpose, in Section 16.2 of this Bill, was increased by
 \$1,000,000. This results in a net increase for this item from all funds
 of \$2,700,000 compared to estimated FY 2007.

CODE: Complies with the requirement that the funds may only be
 used if appropriated.

14 10 Sec. 20. PUBLIC EMPLOYMENT RELATIONS BOARD. There is
 14 11 appropriated from the general fund of the state to the public
 14 12 employment relations board for the fiscal year beginning July
 14 13 1, 2007, and ending June 30, 2008, the following amount, or so
 14 14 much thereof as is necessary, for the purposes designated:
 14 15 For salaries, support, maintenance, miscellaneous purposes,
 14 16 and for not more than the following full-time equivalent
 14 17 positions:
 14 18 \$ 1,170,486
 14 19 FTEs 11.00

General Fund appropriation to the Public Employment Relations
 Board.

DETAIL: This is an increase of \$97,262 and 1.00 FTE position
 compared to the estimated FY 2007 appropriation for the addition of
 an administrative law judge.

14 20	Sec. 21. VALUE-ADDED AGRICULTURAL PRODUCTS AND PROCESSES	Permits the Office of Renewable Fuels and Co-products to apply to the DED for funding from the Value-Added Agricultural Products and Processes Financial Assistance Fund.
14 21	FINANCIAL ASSISTANCE FUND MONEYS. The office of renewable	
14 22	fuels and coproducts may apply to the department of economic	
14 23	development for moneys in the value-added agricultural	
14 24	products and processes financial assistance fund for deposit	
14 25	in the renewable fuels and coproducts fund created in section	
14 26	159A.7.	
14 27	Sec. 22. IOWA FINANCE AUTHORITY AUDIT. The auditor of	Requests the Auditor of State to review the outside audit of the Iowa Finance Authority and conduct a performance audit to determine the Authority's effectiveness.
14 28	state is requested to review the audit of the Iowa finance	
14 29	authority performed by the auditor hired by the authority.	
14 30	Sec. 23. APPLICATION FOR DEPARTMENT OF ECONOMIC	Permits those programs that previously received allocations and appropriations (commonly called earmarks) from moneys appropriated to the Department of Economic Development to apply for funding from the Department's programs if they do not receive an appropriation in this Bill.
14 31	DEVELOPMENT MONEYS. For the fiscal year beginning July 1,	
14 32	2007, any entity that was specifically identified in 2001 Iowa	
14 33	Acts, chapter 188, to receive funding from the department of	
14 34	economic development, excluding any entity identified to	
14 35	receive a direct appropriation beginning July 1, 2007, may	
15 1	apply to the department for assistance through the appropriate	
15 2	program. The department shall provide application criteria	
15 3	necessary to implement this section.	
15 4	Sec. 24. SHELTER ASSISTANCE FUND. In providing moneys	Requires the DED to explore allocating Shelter Assistance Funds to homeless shelters based in part on the shelter's ability to move clients toward self-sufficiency.
15 5	from the shelter assistance fund to homeless shelter programs	
15 6	in the fiscal year beginning July 1, 2007, and ending June 30,	
15 7	2008, the department of economic development shall explore the	
15 8	potential of allocating moneys to homeless shelter programs	
15 9	based in part on their ability to move their clients toward	
15 10	self-sufficiency.	
15 11	Sec. 25. UNEMPLOYMENT COMPENSATION PROGRAM.	CODE: Restricts use of certain federal funds to comply with the Social Security Act.
15 12	Notwithstanding section 96.9, subsection 4, paragraph "a",	
15 13	moneys credited to the state by the secretary of the treasury	
15 14	of the United States pursuant to section 903 of the Social	

15 15 Security Act shall be appropriated to the department of
15 16 workforce development and shall be used by the department for
15 17 the administration of the unemployment compensation program
15 18 only. This appropriation shall not apply to any fiscal year
15 19 beginning after December 31, 2007.

15 20 Sec. 26. STATE EMPLOYEE TELECOMMUTING -- POLICY
15 21 DEVELOPMENT -- IMPLEMENTATION.

15 22 1. The director of a department or state agency to which
15 23 appropriations are made pursuant to the provisions of this Act
15 24 shall assess the extent to which job classifications or
15 25 individual employment positions with the department or agency
15 26 might be effectively performed from an employee's residence or
15 27 other remote location through telecommuting, thereby
15 28 increasing office space within the department or agency and
15 29 reducing administrative costs. The assessment shall include
15 30 an estimate of the number of department or agency employees
15 31 whose job responsibilities could be effectively performed on a
15 32 telecommuting basis, projected costs of establishing and
15 33 maintaining work stations at an employee's residence or other
15 34 remote location and providing telecommuter support,
15 35 anticipated savings to the department or agency through a
16 1 reduction in the office-based workforce, and anticipated time
16 2 and cost savings to telecommuting employees. A report
16 3 summarizing the assessment shall be submitted to the director
16 4 of the department of administrative services, and the members
16 5 of the general assembly, by November 1, 2007.

16 6 2. Based on the assessment conducted pursuant to
16 7 subsection 1, the director shall develop a telecommuter
16 8 employment policy for the department or agency and a timeline
16 9 for initial policy implementation and plans for expanding the
16 10 number of telecommuting employees. Specific office-based
16 11 workforce reduction percentages shall be left to the
16 12 discretion of the director, but the director shall implement a
16 13 policy transferring some number of office-based employees to
16 14 telecommuter status by January 1, 2008. The director shall
16 15 report to the director of the department of administrative

Requires the Directors of the departments and agencies that receive appropriations in this Bill to assess the feasibility and cost-effectiveness of implementing a telecommuting policy. The assessment is to include the number of employees that could be effectively transferred to telecommuter status, projected costs to maintain home work stations and telecommuter support, and anticipated savings to the department or agency and the telecommuting employees. A report summarizing the assessment is to be submitted to the Director of the Department of Administrative Services (DAS) by November 7, 2007. Based on the assessment, the Directors are required to develop a telecommuting policy, a timeline for implementation of the policy, and a plan to expand the number of telecommuting employees. Directors are required to transfer some employees to telecommuter status by January 1, 2008. Requires an annual report, beginning January 1, 2009, to the Director of the DAS and the General Assembly, that includes the number of telecommuting employees, cost savings achieved, and plans for continued transfer of employees to telecommuter status.

16 16 services and the members of the general assembly on an annual
16 17 basis beginning January 1, 2009, the number of telecommuting
16 18 employees, cost savings achieved by the department or agency,
16 19 and plans for continued transfer of office-based employees to
16 20 telecommuter status.

16 21 EXPLANATION

16 22 This bill makes appropriations and transfers from the
16 23 general fund of the state to the department of cultural
16 24 affairs, the department of economic development, the
16 25 university of iowa, the university of northern iowa, iowa
16 26 state university, the department of workforce development,
16 27 iowa finance authority, and the public employment relations
16 28 board for the 2007-2008 fiscal year.

16 29 The bill provides that the goals for the department of
16 30 economic development shall be to expand and stimulate the
16 31 state economy, increase the wealth of iowans, and increase the
16 32 population of the state.

16 33 The bill appropriates from loan repayments on loans under
16 34 the former rural community 2000 program to the department of
16 35 economic development moneys for providing financial assistance
17 1 to iowa's councils of governments that provide technical and
17 2 planning assistance to local governments.

17 3 The bill transfers moneys collected by the division of
17 4 insurance in excess of the anticipated gross revenues to the
17 5 department of economic development for purposes of insurance
17 6 economic development and international insurance economic
17 7 development.

17 8 The bill appropriates moneys from the iowa community
17 9 development loan fund to the department of economic
17 10 development for purposes of the community development program.

17 11 The bill appropriates moneys from the workforce development
17 12 fund account to the workforce development fund.

17 13 The bill provides that moneys appropriated or transferred
17 14 to or receipts credited to the workforce development fund may
17 15 be used for administration of workforce development
17 16 activities.

17 17 The bill provides that all moneys remaining in the job
17 18 training fund on July 1, 2007, and any moneys appropriated or
17 19 credited to the fund during the fiscal year beginning July 1,
17 20 2007, shall be transferred to the workforce development fund.

17 21 The bill requires the state board of regents to submit a
17 22 report on the progress of regents institutions in meeting the
17 23 strategic plan for technology transfer and economic
17 24 development.

17 25 The bill requires the department of workforce development
17 26 to establish accountability measures for all subcontractors.
17 27 The bill requires the auditor of state to annually conduct an
17 28 audit of the department of workforce development. The bill
17 29 requires the legislative services agency to conduct an annual
17 30 review of salaries paid to employees of entities organized
17 31 under chapter 28E and salaries paid under a contract with the
17 32 department of workforce development.

17 33 The bill appropriates moneys from the special employment
17 34 security contingency fund to the department of workforce
17 35 development for the division of workers' compensation.

18 1 The bill appropriates interest earned on the unemployment
18 2 compensation reserve fund to the department of workforce
18 3 development for the operation of field offices.

18 4 The bill allows the office of renewable fuels and
18 5 coproducts to apply to the department of economic development
18 6 for moneys in the value-added agricultural products and
18 7 processes financial assistance fund for deposit in the
18 8 renewable fuels and coproducts fund.

18 9 The bill requests the auditor of state to review the audit
18 10 of the Iowa finance authority performed by the auditor hired
18 11 by the authority.

18 12 The bill provides that, for the fiscal year beginning July
18 13 1, 2007, any entity that was specifically identified in 2001
18 14 Iowa Acts, chapter 188, to receive funding from the department
18 15 of economic development, excluding any entity identified to
18 16 receive a direct appropriation beginning July 1, 2007, may
18 17 apply to the department for assistance through the appropriate
18 18 program.

18 19 The bill provides that, in providing moneys from the

18 20 shelter assistance fund to homeless shelter programs, the
18 21 department of economic development shall explore the potential
18 22 of allocating moneys to programs based in part on their
18 23 ability to move their clients toward self-sufficiency.
18 24 The bill appropriates moneys from moneys credited to the
18 25 state by the secretary of the treasury of the United States
18 26 pursuant to the Social Security Act to the department of
18 27 workforce development for the administration of the
18 28 unemployment compensation program only.
18 29 The bill requires each department or state agency receiving
18 30 appropriations in the bill to file a report with the
18 31 department of administrative services and the general assembly
18 32 regarding an assessment of the telecommuting possibilities for
18 33 the department or state agency. Based on the assessment, the
18 34 bill requires an implementation plan to be developed. The
18 35 bill provides an annual reporting requirement regarding
19 1 telecommuter issues.

19 2 LSB 1128SV 82

19 3 tm:mg/je/5

Summary Data

General Fund

	Actual FY 2006 <u>(1)</u>	Estimated FY 2007 <u>(2)</u>	Gov Rec FY 2008 <u>(3)</u>	Senate Approp FY 2008 <u>(4)</u>	Senate Approp vs. Est 2007 <u>(5)</u>	Page and Line # <u>(6)</u>
Economic Development	\$ 36,188,036	\$ 36,880,308	\$ 38,823,337	\$ 40,051,337	\$ 3,171,029	
Grand Total	\$ 36,188,036	\$ 36,880,308	\$ 38,823,337	\$ 40,051,337	\$ 3,171,029	

Economic Development

General Fund

	Actual FY 2006 (1)	Estimated FY 2007 (2)	Gov Rec FY 2008 (3)	Senate Approp FY 2008 (4)	Senate Approp vs. Est 2007 (5)	Page and Line # (6)
<u>Cultural Affairs, Department of</u>						
Cultural Affairs, Department of						
Administration Division	\$ 240,195	\$ 245,101	\$ 245,101	\$ 245,101	\$ 0	PG 1 LN 7
Community Cultural Grants	299,240	299,240	299,240	299,240	0	PG 1 LN 17
Historical Division	3,239,269	3,392,865	3,392,865	3,442,865	50,000	PG 1 LN 21
Historic Sites	534,676	554,166	554,166	554,166	0	PG 1 LN 30
Arts Division	1,181,329	1,207,611	1,207,611	1,207,611	0	PG 2 LN 1
Great Places	200,000	305,794	305,794	305,794	0	PG 2 LN 7
Archiving Former Governor's Papers	75,000	77,348	77,348	77,348	0	PG 2 LN 13
Records Center Rent - GF	0	0	185,768	185,768	185,768	PG 2 LN 18
Arts Ed. and Enrichment Prog.	0	5,000	0	0	-5,000	
African-American Hist. Museum	0	85,000	0	0	-85,000	
Hist. Resource Dev. Emerg. Grants	0	250,000	0	0	-250,000	
Total Cultural Affairs, Department of	\$ 5,769,709	\$ 6,422,125	\$ 6,267,893	\$ 6,317,893	\$ -104,232	
<u>Economic Development, Dept. of</u>						
Economic Development, Department of						
Economic Dev. Administration	\$ 1,875,845	\$ 2,044,530	\$ 2,044,529	\$ 2,044,529	\$ -1	PG 3 LN 6
Business Development	6,215,394	6,300,160	6,300,160	6,426,146	125,986	PG 3 LN 20
Community Development Division	5,654,173	5,798,640	6,798,640	6,422,654	624,014	PG 5 LN 8
World Food Prize	285,000	400,000	400,000	750,000	350,000	PG 6 LN 6
Endow Iowa Grants	50,000	50,000	50,000	50,000	0	HF 809, 2005 Session
Total Economic Development, Dept. of	\$ 14,080,412	\$ 14,593,330	\$ 15,593,329	\$ 15,693,329	\$ 1,099,999	
<u>Iowa Finance Authority</u>						
Iowa Finance Authority						
Entrepreneurs w/Disability	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 0	PG 8 LN 3
Total Iowa Finance Authority	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 0	
<u>Regents, Board of</u>						
Regents, Board of						
ISU - Economic Development	\$ 2,363,557	\$ 2,463,557	\$ 2,463,557	\$ 2,713,557	\$ 250,000	PG 8 LN 11
SUI - Economic Development	247,005	247,005	247,005	247,005	0	PG 9 LN 26
UNI - Economic Development	361,291	361,291	361,291	661,291	300,000	PG 10 LN 14
Total Regents, Board of	\$ 2,971,853	\$ 3,071,853	\$ 3,071,853	\$ 3,621,853	\$ 550,000	
<u>Iowa Workforce Development</u>						
Iowa Workforce Development						
IWD General Fund - Operations	\$ 5,278,800	\$ 5,568,762	\$ 5,568,762	\$ 6,096,762	\$ 528,000	PG 11 LN 12
Workforce Development Field Offices	6,856,655	5,951,014	6,951,014	6,951,014	1,000,000	PG 11 LN 32

Economic Development

General Fund

	Actual FY 2006	Estimated FY 2007	Gov Rec FY 2008	Senate Approp FY 2008	Senate Approp vs. Est 2007	Page and Line #
	(1)	(2)	(3)	(4)	(5)	(6)
Total Iowa Workforce Development	\$ 12,135,455	\$ 11,519,776	\$ 12,519,776	\$ 13,047,776	\$ 1,528,000	

Economic Development

General Fund

	Actual FY 2006 <u>(1)</u>	Estimated FY 2007 <u>(2)</u>	Gov Rec FY 2008 <u>(3)</u>	Senate Approp FY 2008 <u>(4)</u>	Senate Approp vs. Est 2007 <u>(5)</u>	Page and Line # <u>(6)</u>
<u>Public Employment Relations Board</u>						
Public Employment Relations Board						
PER Board - General Office	\$ 1,030,607	\$ 1,073,224	\$ 1,170,486	\$ 1,170,486	\$ 97,262	PG 14 LN 10
Total Public Employment Relations Board	<u>\$ 1,030,607</u>	<u>\$ 1,073,224</u>	<u>\$ 1,170,486</u>	<u>\$ 1,170,486</u>	<u>\$ 97,262</u>	
<u>Regents, Board of</u>						
Regents, Board of						
ISU - Economic Development	\$ 2,363,557	\$ 2,463,557	\$ 2,463,557	\$ 2,713,557	\$ 250,000	PG 8 LN 11
SUI - Economic Development	247,005	247,005	247,005	247,005	0	PG 9 LN 26
UNI - Economic Development	361,291	361,291	361,291	661,291	300,000	PG 10 LN 14
Total Regents, Board of	<u>\$ 2,971,853</u>	<u>\$ 3,071,853</u>	<u>\$ 3,071,853</u>	<u>\$ 3,621,853</u>	<u>\$ 550,000</u>	
Total Economic Development	<u>\$ 36,188,036</u>	<u>\$ 36,880,308</u>	<u>\$ 38,823,337</u>	<u>\$ 40,051,337</u>	<u>\$ 3,171,029</u>	

Summary Data

Other Fund

	Actual FY 2006 <u>(1)</u>	Estimated FY 2007 <u>(2)</u>	Gov Rec FY 2008 <u>(3)</u>	Senate Approp FY 2008 <u>(4)</u>	Senate Approp vs. Est 2007 <u>(5)</u>	Page and Line # <u>(6)</u>
Economic Development	\$ 4,841,000	\$ 8,941,000	\$ 8,771,000	\$ 10,371,000	\$ 1,430,000	
Grand Total	<u>\$ 4,841,000</u>	<u>\$ 8,941,000</u>	<u>\$ 8,771,000</u>	<u>\$ 10,371,000</u>	<u>\$ 1,430,000</u>	

Economic Development

Other Fund

	Actual FY 2006 <u>(1)</u>	Estimated FY 2007 <u>(2)</u>	Gov Rec FY 2008 <u>(3)</u>	Senate Approp FY 2008 <u>(4)</u>	Senate Approp vs. Est 2007 <u>(5)</u>	Page and Line # <u>(6)</u>
<u>Economic Development, Dept. of</u>						
<u>Economic Development, Department of</u>						
Council of Governments-R.C. 2000	\$ 150,000	\$ 150,000	\$ 100,000	\$ 100,000	\$ -50,000	PG 6 LN 26
Insurance Division Revenue	100,000	100,000	100,000	100,000	0	PG 7 LN 1
Workforce Development Appr	4,000,000	4,000,000	4,000,000	4,000,000	0	PG 7 LN 15
Rural Development-R.C. 2000	120,000	120,000	0	0	-120,000	
NPDES Elimin. Syst. Permits	0	100,000	100,000	0	-100,000	
Total Economic Development, Dept. of	\$ 4,370,000	\$ 4,470,000	\$ 4,300,000	\$ 4,200,000	\$ -270,000	
<u>Iowa Workforce Development</u>						
<u>Iowa Workforce Development</u>						
P & I Workers' Comp. Division	\$ 471,000	\$ 471,000	\$ 471,000	\$ 471,000	\$ 0	PG 13 LN 31
IWD Field Offices (UI Reserve Interest)	0	4,000,000	4,000,000	5,700,000	1,700,000	PG 14 LN 2
Total Iowa Workforce Development	\$ 471,000	\$ 4,471,000	\$ 4,471,000	\$ 6,171,000	\$ 1,700,000	
Total Economic Development	\$ 4,841,000	\$ 8,941,000	\$ 8,771,000	\$ 10,371,000	\$ 1,430,000	

Summary Data

FTE

	Actual FY 2006 <u>(1)</u>	Estimated FY 2007 <u>(2)</u>	Gov Rec FY 2008 <u>(3)</u>	Senate Approp FY 2008 <u>(4)</u>	Senate Approp vs. Est 2007 <u>(5)</u>	Page and Line # <u>(6)</u>
Economic Development	399.92	484.75	515.93	499.90	15.15	
Grand Total	<u>399.92</u>	<u>484.75</u>	<u>515.93</u>	<u>499.90</u>	<u>15.15</u>	

Economic Development

FTE

	Actual FY 2006 (1)	Estimated FY 2007 (2)	Gov Rec FY 2008 (3)	Senate Approp FY 2008 (4)	Senate Approp vs. Est 2007 (5)	Page and Line # (6)
<u>Cultural Affairs, Department of</u>						
Cultural Affairs, Department of						
Administration Division	1.13	2.35	2.35	2.35	0.00	PG 1 LN 7
Historical Division	51.63	57.08	57.08	58.08	1.00	PG 1 LN 21
Historic Sites	9.08	8.25	8.25	8.25	0.00	PG 1 LN 30
Arts Division	9.40	11.12	11.12	11.12	0.00	PG 2 LN 1
Great Places	1.45	2.42	2.42	3.00	0.58	PG 2 LN 7
Archiving Former Governor's Papers	0.17	0.97	0.97	0.97	0.00	PG 2 LN 13
Total Cultural Affairs, Department of	72.86	82.19	82.19	83.77	1.58	
<u>Economic Development, Dept. of</u>						
Economic Development, Department of						
Economic Dev. Administration	19.23	23.75	28.75	27.75	4.00	PG 3 LN 6
Business Development	39.76	43.95	57.00	61.00	17.05	PG 3 LN 20
Community Development Division	47.08	61.26	61.26	58.26	-3.00	PG 5 LN 8
Vision Iowa Program	1.81	2.25	2.25	2.25	0.00	PG 6 LN 21
Workforce Development Fund	3.67	4.00	4.00	4.00	0.00	PG 7 LN 23
Total Economic Development, Dept. of	111.55	135.21	153.26	153.26	18.05	
<u>Regents, Board of</u>						
Regents, Board of						
ISU - Economic Development	27.37	56.53	0.00	56.63	0.10	PG 8 LN 11
SUI - Economic Development	5.68	6.00	0.00	6.00	0.00	PG 9 LN 26
UNI - Economic Development	4.30	4.75	0.00	6.75	2.00	PG 10 LN 14
BOR Economic Development	0.00	0.00	67.28	0.00	0.00	
Total Regents, Board of	37.35	67.28	67.28	69.38	2.10	
<u>Iowa Workforce Development</u>						
Iowa Workforce Development						
IWD General Fund - Operations	80.89	86.00	94.50	96.45	10.45	PG 11 LN 12
Workforce Development Field Office Fund	87.31	104.07	107.70	86.04	-18.03	PG 12 LN 5
Total Iowa Workforce Development	168.20	190.07	202.20	182.49	-7.58	
<u>Public Employment Relations Board</u>						
Public Employment Relations Board						
PER Board - General Office	9.96	10.00	11.00	11.00	1.00	PG 14 LN 10
Total Public Employment Relations Board	9.96	10.00	11.00	11.00	1.00	

Economic Development

FTE

	Actual FY 2006	Estimated FY 2007	Gov Rec FY 2008	Senate Approp FY 2008	Senate Approp vs. Est 2007	Page and Line #
	(1)	(2)	(3)	(4)	(5)	(6)
Regents, Board of						
Regents, Board of						
ISU - Economic Development	27.37	56.53	0.00	56.63	0.10	PG 8 LN 11
SUI - Economic Development	5.68	6.00	0.00	6.00	0.00	PG 9 LN 26
UNI - Economic Development	4.30	4.75	0.00	6.75	2.00	PG 10 LN 14
BOR Economic Development	0.00	0.00	67.28	0.00	0.00	
Total Regents, Board of	37.35	67.28	67.28	69.38	2.10	
Total Economic Development	399.92	484.75	515.93	499.90	15.15	